

Record

OCA 86-3762

OCA FILE ~~SECRET~~ *Pubs*

REF #

Hank Cary

9/25/86

STAT

Mr. Bernie McMahon
Select Committee on Intelligence
United States Senate
211 Senate Hart Office Building
Washington, D.C. 20510

Mr. Bernie McMahon
Select Committee on Intelligence
United States Senate
211 Senate Hart Office Building
Washington, D.C. 20510

Secret

Office of Soviet Analysis

Since becoming General Secretary in March 1985, Mikhail Gorbachev has moved quickly and decisively to consolidate his political power. His actions thus far indicate he intends to attack policy questions with the same alacrity and forcefulness he has displayed in accumulating his political power. The fiscal year (FY) 1986 research program for the Office of Soviet Analysis (SOVA) is designed to identify and evaluate the basic policy thrusts of the new Soviet leadership and to assess the implications of those policies for US security interests:

- Modernizing the Soviet economy and accelerating long-term economic growth is at the top of the new leadership's agenda. The degree of success it has in this effort will shape virtually all aspects of Soviet policy—including fundamental “guns and butter” issues, the stability of the Warsaw Pact alliance, and the impact of the USSR in the international energy and trade arenas.
- The popular malaise bequeathed by the Brezhnev era and unresolved during the Andropov and Chernenko interregnums creates pressure on the new leadership to find new ways of revitalizing popular commitment to regime initiatives while containing longstanding domestic tensions. Gorbachev's apparent urgency in dealing with social and economic management problems sets him apart from his predecessors. He appears to view the status quo as more destabilizing than change and to see improved plant management, worker discipline, and popular commitment to regime policies as critical to his program of economic revitalization.
- Managing the strategic balance is the linchpin of US-Soviet relations. The Soviets have an array of new strategic weapon systems in development. The evolution in the 1980s of Soviet offensive strike forces from primary reliance on fixed, silo-based ICBMs to a greater variety of mobile systems impacts directly on US weapon development programs and on prospects for strategic arms limitations. At the same time, Moscow is confronted with a renewed Western commitment to strong defense, and the US Strategic Defense Initiative (SDI) presents a formidable challenge to the technological capacity of the USSR's military-scientific establishment. Policies adopted by the new leadership in the coming year or so will affect the character of the strategic balance well into the 1990s.

Secret